



2002 Endowment Proposal: The Legacy Trust for Recreation and Conservation

Concept Summary

The Legacy Trust was proposed in 2002 as a way to use an established funding mechanism, state trust land management, by assembling a modest-sized new trust land category to be managed as other trust lands, with resulting new revenue dedicated to funding recreation and conservation on DNR's entire land base.

Start-up funding from revenue bonds would be needed in the order of \$25-50 million per year over a ten-year period to assemble the new trust land base - \$350 million total. Targeted types of lands for acquisition would be the same as current state trust land, emphasizing commercial forest and commercial agriculture lands, as well as urban commercial real estate. The acreage of the new Legacy Trust would depend on the mix of types of land acquired.

Policy direction for the new Legacy Trust lands would come from the Board of Natural Resources. DNR would manage the Legacy Trust lands, using a share of gross revenue from those lands, similarly to State Forest Lands.

Estimated Legacy Trust revenue, after management costs and debt repayment, would be negative for the first two biennia and then build over three biennia to reach approximately \$30 million per biennium, depending on the specific revenue-generating activities and market forces.

Allocation of Legacy Trust revenue would make use of an advisory committee representing recreation and conservation users of all DNR-managed lands, and be based on long-term and biennial proposed spending plans submitted by DNR to the legislature for legislative appropriation.